

**SELECTION STATEMENT
FOR
THE MULTI-DISCIPLINARY ENGINEERING AND TECHNOLOGY
SERVICES PROCUREMENT**

On December 13, 2004, I met with senior officials from Goddard Space Flight Center (GSFC) to hear the Source Evaluation Board (SEB) present its proposal evaluation findings for the Multi-Disciplinary Engineering and Technology Services (METS) procurement.

PROCUREMENT DESCRIPTION

The METS competitive procurement is a partial follow-on to the current Multi-Disciplinary Engineering and Development Services (MEDS) contract (NAS5-99124). [The Electrical Systems Engineering Services (ESES) procurement is the other MEDS partial follow-on effort which is being separately competed]. The principal purpose of the METS contract is to provide engineering services for the formulation, design, development, non-flight fabrication, integration, testing, verification, and operations of space flight and ground system hardware and software, including development and validation of new technologies to enable future Space and Earth Science missions. The emphasis in engineering services will be in the areas of systems engineering, software engineering, information technology, and Guidance Navigation and Control (GN&C) services.

This competitive procurement will result in an 8(a) cost-plus-award-fee (CPAF), indefinite delivery, indefinite quantity (IDIQ) contract. The minimum amount of supplies or services that shall be ordered is \$1,000,000 with a maximum of \$250,000,000. The contract will have an effective ordering period of 5-years from the contractual effective date.

EVALUATION PROCEDURES

The evaluation was conducted in accordance with the source selection procedures identified in FAR 15.3 and NASA FAR Supplement 1815.3, and the RFP evaluation criteria. The RFP stated that the factors used for evaluation are Mission Suitability, Cost/Price, and Past Performance. The RFP specified the relative order of importance of the evaluation factors as follows:

“The Cost Factor is significantly less important than the combined importance of the Mission Suitability Factor and the Past Performance Factor. As individual factors, the Mission Suitability Factor is the most important and the Past Performance Factor is more important than the Cost Factor.”

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Within Mission Suitability, the following four subfactors were evaluated and scored using the identified weights to allocate 1,000 available points:

MISSION SUITABILITY SUBFACTORS	AVAILABLE POINTS
Subfactor A: Understanding the Requirements	400
Subfactor B: Capabilities	200
Subfactor C: Management Plan	350
Subfactor D: Safety and Health Plan	50
Total	1000

The Past Performance evaluation was conducted in accordance with FAR 15.305(a)(2) and NFS 1815.305(a)(2), "Past performance evaluation". Within the Past Performance Factor, an Offeror, along with its teaming partner(s) and/or major subcontractor(s), were evaluated in the following four areas: Technical Performance, Schedule Performance, Cost Performance, and Business Relations. This factor was not point scored. One of the following adjectival ratings was assigned: Excellent, Very Good, Good, Fair or Poor.

Regarding the Cost/Price Factor, the RFP stated that the proposed costs of the Representative Task Orders (RTOs) and the rates proposed in Attachment B will be evaluated for reasonableness and cost realism. The Cost/Price Factor evaluation was conducted in accordance with FAR 15.305(a)(1) and NFS 1815.305(a)(1)(B) and (C). The SEB used proposed indirect rate ceilings in determining probable cost. In accordance with the NFS, the SEB analysis included "a level of confidence in the probable cost assessment for each proposal." The proposed and probable total cost-plus-award-fee and loaded average hourly cost were presented to the Source Selection Authority. The RFP stated that Mission Suitability scores will be downwardly adjusted based on the degree of cost realism. These adjustments were based on the structured approach contained in RFP Provision M.4.3, Adjustments for Cost Realism.

EVALUATION PROCESS

NASA's Source Selection Authority for this procurement appointed the SEB, along with a team of Technical and Business Consultants, comprised of members from appropriate disciplines, to assist in the proposal evaluation. The SEB developed and incorporated into the Request for Proposal (RFP) a set of detailed criteria for evaluation. NASA issued the RFP on June 7, 2004. Five timely proposals were received on July 9, 2004 from the following contractors:

1. ASRC Aerospace Corporation (ASRC)
2. SGT, Inc. (SGT)
3. Client Network Services, Inc. (CNSI)
4. Morgan Research Corporation (Morgan)
5. STEM International, Inc. (STEM)

The SEB completed its initial evaluation of proposals and documented its findings in a written report dated December 13, 2004. During the initial evaluations, the SEB team

determined, in accordance with NASA FAR Supplement (NFS) 1815.305-70, that the proposal submitted by STEM did not represent a reasonable initial effort to address the essential requirements of the RFP's Subfactor A and contained major deficiencies and omissions. Therefore, the STEM proposal was removed from further consideration in accordance with NFS 1815.305-70(a)(1)&(3).

MISSION SUITABILITY EVALUATION

Based on the scoring of each subfactor in accordance with the weights delineated in the RFP, the ranking of the offeror's total Mission Suitability points is as follows:

1. SGT, Inc.
2. ASRC Aerospace Corporation
3. Client Network Services, Inc.
4. Morgan Research Corporation

The substance of the SEB's evaluation of Mission Suitability for each proposal follows:

SGT

SGT received an overall adjectival rating of "Very Good," and the highest Mission Suitability score by a significant margin.

In Subfactor A: Understanding the Requirements, SGT was rated "Very Good" receiving three significant strengths, seven strengths, and eight weaknesses. SGT received a significant strength for demonstrating a thorough, sound and complete understanding and technical approach toward satisfying the Statement of Work (SOW) Functions 3A, Project Management; 3B, Mission Systems Engineering; 3E, Detector Engineering Services; 3F, Software Specific Services; 3G, Data Systems Management Services; and 3I, Robotic Specific Services. SGT received a significant strength for their approach to SOW Function 8, Education Services, for the development of a Systems Engineering Curriculum at the University of Maryland Baltimore County (UMBC). SGT also received a significant strength for demonstrated excellent direct relevant experience in meeting the requirements of SOW Function 3B, Mission Systems Engineering; 3F, Software Specific Services; 3H4 Propulsion Engineering Specific Tasks; 3H5, Propulsion Technician Specific Tasks; and 3I, Robotic Specific Services.

SGT received the following seven strengths: (1) Outstanding level of understanding and a sound technical approach toward meeting the requirements of SOW Functions 2E, Launch and Post-Launch Operations Support; 2F, Mission Assurance and Systems Safety Services; and 2G, Configuration Management Services; (2) Comprehensively addresses all ten areas of space system technologies (Function 4F) and demonstrates a thorough understanding of the requirements, and a complete technical approach regarding their understanding of the specified space system technologies; (3) The RTO 1 response clearly demonstrates an understanding and sound technical approach to problem solving by clearly laying out their process development strategy to develop the investment.

criteria, to prioritize technology investment tools, and to develop methodology; (4) The RTO 3 response demonstrates an excellent technical approach with a thorough analysis of the work to be performed and a clear understanding of the required planning and analysis; (5) The RTO 5 technical approach for the Accommodation Trade Study, the Accommodation Study, and the STOP Study answers the RTO requirement in full, with exemplary details, while exhibiting realism and thoroughness; (6) The RTO 6 response demonstrates an excellent understanding of the required technical approach and of the difficulties of executing an end-to-end test of an observatory. The process for development of a comprehensive test procedure is provided in sufficient detail to demonstrate strong technical knowledge of the requirement and difficulties of this activity; and (7) The RTO 7 response demonstrates a very good understanding of the issues involved in selecting, designing, coding, and verifying the single-gyro control mode. Descriptions of the advantages and disadvantages of the possible solutions exhibits experience and knowledge.

SGT received the following eight weaknesses: (1) Does not demonstrate an adequate understanding or a thorough technical approach for meeting the requirements of SOW Function 1A, Candidate Study Services; Function 1B, Preliminary Analysis Study Services; or Function 1C, Systems Definition Study Services; (2) Does not demonstrate an adequate understanding or a complete technical approach to meeting the requirements of SOW Function 2A, Multi-disciplinary Analysis and Design Services; or Function 2B, Non-flight Fabrication Specific Tasks; (3) Demonstrates a limited understanding of SOW Function 3H1j, Formation Flying Test Bed (FFTB) Design and Development; 3H2n, Flight Dynamics Catalog/Database Maintenance; and 3H4d, Power & Electric Propulsion Systems Engineering; (4) Does not adequately address the nine areas of required support in Function 4F; and (5) The RTO 6 response identified no slack in the schedule to troubleshoot or to deal with unforeseen events. Three additional weaknesses were noted in RTO's 1, 2, and 5 for inadequate staffing plans resulting in overall minimal staffing adjustments.

In Subfactor B: Capabilities, SGT was rated "Excellent" receiving two significant strengths, two strengths, and one weakness.

SGT received a significant strength for the supporting rationale of their identified critical positions. The SGT team received a significant strength for an excellent overall total compensation plan which will contribute toward effective employee retention.

SGT received a strength for clearly identifying new positions with justification that indicates an understanding of the METS contract requirements. Another strength was received for a comprehensive workforce staffing plan that demonstrated the ability to achieve a high recruiting and retention rate.

A weakness was received for failing to submit a completed Exhibit 3, "Fringe Benefit Chart," although most of the information was provided elsewhere in the proposal.

In Subfactor C: Management Plan, SGT was rated "Excellent" receiving two significant strengths, one strength, and one weakness.

SGT received a significant strength for proposing a seamless teaming arrangement with Group Leads reporting to the METS Project Manager, which decreases redundant management. Another significant strength was SGT's award fee sharing program, which is a significant motivator for the personnel supporting the METS contract.

SGT received a strength for a thorough, sound and complete approach to Phase-In by including a comprehensive list of task elements and action items, and distinctively identifying roles and responsibilities.

SGT received a weakness for proposing to use a team member's procurement system which may add a layer of bureaucratic complication.

In Subfactor D: Safety and Health Plan, SGT was rated "Very Good" receiving one significant strength for a safety and health plan that fully addresses safety requirements including the identification of key potential METS facilities and the specific safety issues and training needs for each area.

ASRC

ASRC received an overall adjectival rating of "Good," which included the impact of a Mission Suitability point adjustment. ASRC received the second highest Mission Suitability score by a significant margin over the next closest proposal.

In Subfactor A: Understanding the Requirements, ASRC was rated "Very Good" receiving three significant strengths, five strengths, and nine weaknesses.

ASRC received a significant strength for demonstrating an outstanding level of understanding of the needs and objectives for Function 3B, Mission System Engineering; 3F, Software Specific Services; 3G, Data Systems Management Services; and 3H Guidance, Navigation and Control Engineering Services. ASRC received a significant strength for their approach to SOW Function 8, Education Services, for establishing a contract with UMBC to establish Systems Engineering Curriculum. ASRC also received a significant strength for demonstrating a significant amount of relevant experience for meeting the requirements of SOW Function 2E, Launch and Post-Launch Operations Support; 3B, Mission Systems Engineering; 3G, Data Systems Management Services; 3H, Guidance Navigation and Control Engineering Services; 3I, Robotic Specific Services; and 4F, Systems Technology Services.

ASRC received the following five strengths: (1) Demonstrates an excellent understanding of the needs and objectives for meeting the requirements of SOW Function 1A, Candidate Study Services; Function 1B, Preliminary Analysis Study Services; and Function 1C, Systems Definition Specific Tasks; (2) Demonstrates a very good understanding and a complete and thorough technical approach for SOW Function 2A,

Multi-disciplinary Analyses and Design Services; 2C, Integration, Test and Verification Services; and 2E, Launch and Post-Launch Operations Support; (3) Demonstrates an excellent understanding of the needs and objectives of SOW Function 4F, Systems Technology Services by comprehensively addressing all nine specific areas of required support and all ten areas of space system technologies; (4) The RTO 1 response provides a comprehensive solution that clearly demonstrates their understanding of the problems and their current technical capability to solve the problems. ASRC proposes an integrated solution that combines the development of technology investment criteria and the technology investment prioritization tools they are going to develop to produce the technology assessment process; and (5) The RTO 4 response demonstrates an extensive knowledge of the tools and analyses required to perform the task elements. Assumptions, task challenges and task methodologies demonstrate a good understanding of the task.

ASRC received the following nine weaknesses: (1) Does not adequately present an effective understanding or technical approach for meeting the requirements of several areas of SOW Function 4A, including Function 4A1B, X-ray, Ultraviolet, Optical and Infrared instrument systems performance testing and analysis; 4A1D, Instrument Systems signal to noise analysis; 4A1E, Advanced hyperspectral imaging concepts; 4A1G, Lossless and Lossy compression algorithms; and 4A1M, Autonomous Instrument systems; and (2) Does not demonstrate an understanding of the requirements of Function 7, Sustaining Engineering Services, by failing to discuss how the eight requirements will be implemented. Seven additional weaknesses were noted in all seven RTOs for inadequate staffing plans resulting in overall substantial staffing adjustments.

In Subfactor B: Capabilities, ASRC was rated "Very Good" receiving three strengths, and one weakness.

ASRC received a strength for an excellent description of proposed critical positions with detailed qualifications including duties/responsibilities and minimum education/experience required. Another strength was received for a comprehensive workforce staffing plan that demonstrated the ability to achieve a high recruiting and retention rate. A third strength was received for a very good total compensation plan.

ASRC received a weakness for a prohibitively high family plan health insurance premium. Also a proposed team member's 401(k) plan has a lengthy vesting schedule and no details were provided on the team member's bonus and education benefits.

In Subfactor C: Management Plan, ASRC was rated "Excellent" receiving two significant strengths, three strengths, and two weaknesses.

ASRC received a significant strength for a highly effective functional split of responsibilities, an integrated resource board, and a thorough approach for managing subcontractor problems, under-performance, and deficiencies. Another significant strength was ASRC's award fee sharing program, which is a significant motivator for the personnel supporting the METS contract.

ASRC received a strength for an approach to task order management that ensures compliance with position descriptions. A strength was received for the planned participation in the NASA Mentor-Protégé program including a letter of intent with the proposed protégé company. Another strength was received for a thorough, sound and complete approach to Phase-In by including a comprehensive list of task elements and action items, and distinctively identifying roles and responsibilities.

ASRC received a weakness for their approach under management responsibilities related to Group Leads, which most likely increases organizational redundancies and decreases efficiency of communications. Another weakness was received for a generic risk management approach which does not demonstrate a complete or thorough understanding of the risks associated with safety, technical, cost, schedule, security, export control, or damage to the environment.

In Subfactor D: Safety and Health Plan, ASRC was rated "Very Good" receiving one significant strength for a safety and health plan that fully addresses safety requirements.

CNSI

CNSI received an overall adjectival rating of "Good," which included the impact of a Mission Suitability point adjustment. CNSI received the third highest Mission Suitability score by a moderate margin over the next closest proposal.

In Subfactor A: Understanding the Requirements, CNSI was rated "Good" receiving seven strengths, two significant weaknesses, and eight weaknesses.

CNSI received the following seven strengths: (1) Very good understanding of the requirements and a sound technical approach to SOW Functions 3B, Mission Systems Engineering; and 3I, Robotic Specific Services; (2) Demonstrates a complete understanding of the needs and objectives of SOW Function 4F, Systems Technology Services. Comprehensively addresses all nine specific areas of required support in Function 4F; (3) Demonstrated experience in areas relevant to the requirements of SOW Functions 2C, Integration, Test, and Verification Services; 2E, Launch and Post-Launch Operations Support; 2F, Mission Assurance and Systems Safety; 3F, Software Specific Services; 3H1, GN&C Systems Engineering Specific Tasks; 3H1i, Balloon, UAV, and Sounding Rocket GN&C Engineering; and 3H2k, Space Vehicle Autonomous Control Design, Analysis, and Simulation; (4) The RTO 4 response demonstrates a comprehensive technical approach with a good overview of interrelations within elements of this complex task; (5) The RTO 5 demonstrates a thorough and logical summary of the work required with a clearly defined technical approach; (6) The RTO 6 response demonstrates a comprehensive execution plan; and (7) The RTO 7 response demonstrates a very good understanding and logical approach including a step-by-step approach to choosing, designing, developing, and testing with ample opportunity for Government evaluation.

CNSI received a significant weakness for failing to demonstrate an adequate understanding of the requirements and a sound technical approach to SOW Functions 2A, Multidisciplinary Analyses and Design Services; 2B, Non-Flight Fabrication, Assembly and Testing Services; 2F, Mission Assurance and System Safety Services; or 2G, Configuration Management Services. Another significant weakness was received for failing to demonstrate an understanding of the requirements and a sound technical approach to meeting the requirements of SOW Function 3A, Project Management; 3C, Instrument Systems Engineering; 3E, Detector Engineering Services; 3F, Software Specific Services; or 3H, Guidance, Navigation and Control Engineering Services.

CNSI received the following eight weaknesses: (1) Does not demonstrate a complete understanding of the requirements of SOW Function 4A, Instrument Systems Technology Services; 4D, Software Systems Technology Services; or 4F, Systems Technology Services (the ten areas of space system technologies); and (2) Does not demonstrate adequate relevant experience in response to the requirements of SOW Function 1A, Candidate Study Services; 1B, Preliminary Analysis Study Services; or 3B, Mission Systems Engineering. Six additional weaknesses were noted in RTO's 1, 2, 3, 5, 6, and 7 for inadequate staffing plans resulting in overall substantial staffing adjustments.

In Subfactor B: Capabilities, CNSI was rated "Good" receiving one strength, one significant weakness, and one weakness.

CNSI received a strength for a comprehensive workforce staffing plan that demonstrated the ability to achieve a high recruiting and retention rate.

CNSI received a significant weakness for failing to demonstrate clear and well defined critical positions for the METS requirement.

CNSI received a weakness for the proposed Source of Personnel in response to RTO 3.

In Subfactor C: Management Plan, CNSI was rated "Good" receiving four strengths, and two weaknesses.

CNSI received the following four strengths (1) An effective approach to management interaction with NASA which will improve communications; (2) The planned participation in the NASA Mentor-Protégé program including a letter of intent with the proposed protégé company; (3) A thorough, sound and complete approach to Phase-In; and (4) A good award fee sharing program.

CNSI received a weakness for an inadequate organizational structure to effectively manage the technical complexities and volume of METS tasks. Another weakness was received for failing to provide a complete list of current and future contracts of value equal to or greater than \$25M.

In Subfactor D: Safety and Health Plan, CNSI was rated "Very Good" receiving one significant strength for a safety and health plan that fully addresses safety requirements.

Morgan

Morgan received an overall adjectival rating of "Fair," and the lowest Mission Suitability score.

In Subfactor A: Understanding the Requirements, Morgan was rated "Fair" receiving four strengths, two significant weaknesses, and eight weaknesses.

Morgan received the following four strengths: (1) Demonstrates a thorough, sound and complete understanding and technical approach toward satisfying the requirements of SOW Function 4E, Demonstration, Presentation, and Conference Services; (2) Demonstrates an excellent level of experience in meeting the requirements of SOW Function 3F, Software Specific Services; and 3H, GN&C Systems Engineering Services; (3) The RTO 4 response demonstrates a comprehensive understanding of the GN&C design/development process and the role of the GN&C systems engineer; and (4) The RTO 7 response demonstrates a very good understanding and approach to the activities needed to develop, implement, and test a new control mode for an existing spacecraft.

Morgan received a significant weakness for failing to demonstrate a complete, thorough, and sound technical approach to the requirements of SOW Function 2A, Multi-Disciplinary Analysis & Design Services; SOW Function 2B, Non-Flight Fabrication, Assembly and Testing Services; Function 2C, Integration, Test and Verification Services; Function 2E, Launch and Post-Launch Operations Support; or Function 2F, Mission Assurance and Systems Safety Services. Another significant weakness was received for failing to demonstrate a thorough understanding and sound technical approach to meeting the requirements of SOW Functions 3B, Mission Systems Engineering; 3C, Instrument Systems Engineering; 3F, Software Specific Services; 3H1, GN&C Systems Engineering Specific Tasks; 3H2, Flight Dynamics Engineering Specific Tasks; 3H4, Propulsion Engineering Specific Tasks; or 3H5, Propulsion System Technician Tasks.

Morgan received the following eight weaknesses: (1) Does not demonstrate an adequate understanding or a thorough technical approach for meeting the requirements of SOW Function 1A, Candidate Study Services; Function 1B, Preliminary Analysis Study Services; or Function 1C, Systems Definition Study Services; (2) Does not demonstrate a complete, thorough, or sound technical approach to meeting the requirements of SOW Function 4A, Instrument Systems Technology Services; Function 4C1, Computer Support Specific Tasks; 4D, Software Systems Technology Services; or 4F, Systems Technology Services; (3) Does not demonstrate adequate relevant experience in response to SOW Function 1A, Candidate Study Services; or 3B, Mission Systems Engineering; (4) The RTO 6 response does not demonstrate a complete, thorough, or sound technical approach to the development of test plans and procedures and proposes an inappropriate staffing plan. Four additional weaknesses were noted in RTO's 1, 2, 4, and 5, for inadequate staffing plans resulting in overall minimal staffing adjustments.

In Subfactor B: Capabilities, Morgan was rated "Good" receiving two strengths, one significant weakness, and one weakness.

Morgan received a strength for a comprehensive workforce staffing plan which provides incentives for promoting employee retention. Another strength was received for a competitive compensation plan to attract and retain high-quality staff.

Morgan received a significant weakness in the area of critical positions for failing to adequately describe specific responsibilities for certain positions which does not reflect an understanding of the specific areas of expertise required for METS.

Morgan received a weakness in position descriptions for one of the proposed other positions which does not reflect an understanding of the specific areas of expertise required for METS.

In Subfactor C: Management Plan, Morgan was rated "Good" receiving one strength, and one weakness.

Morgan received a strength for a thorough, sound and complete approach to Phase-In.

Morgan received a weakness for proposing an unclear approach toward Subcontractor Management, in particular managing subcontractor problems, under-performance, and deficiencies.

In Subfactor D: Safety and Health Plan, Morgan was rated "Good" receiving no findings.

PAST PERFORMANCE EVALUATION FACTOR

In evaluating Past Performance, SGT was rated "Excellent." The SGT Team possesses relevant past performance experience related to the METS requirements and received mostly very good and excellent ratings. ASRC was rated "Excellent." The ASRC Team possesses relevant past performance experience related to the METS requirements and received mostly very good and excellent ratings. CNSI was rated "Good." The CNSI Team possesses minimally relevant past performance experience related to the METS requirements. CNSI does not have any identified space flight applications experience. The CNSI Team received very good and excellent ratings with some good ratings. Morgan was rated "Very Good." The Morgan Team possesses moderate relevant past performance experience related to the METS requirements and received mostly very good and excellent ratings.

COST/PRICE EVALUATION FACTOR

The order of the Offeror's total proposed cost for all RTOs from lowest to highest is as follows: ASRC, SGT, CNSI, and Morgan. Based on the proposed total average hourly rate the order from lowest to highest is as follows: ASRC, CNSI, SGT, and Morgan. The substance of the SEB's probable cost assessment for each proposal follows: ASRC had the lowest probable cost and lowest probable average hourly rate. The SEB made slight upward adjustments for minor computational errors in labor rates and indirect

rates. Based on the technical evaluation, the SEB made direct labor hour adjustments resulting in a substantial increase in costs and a maximum cost realism Mission Suitability point adjustment. The SEB had a low level of confidence in the probable cost due to a lack of proposed ceilings on two indirect rates, along with concerns attributable to the adequacy of ASRC's accounting system.

SGT had the second lowest probable cost and third lowest probable average hourly rate. The SEB made slight upward adjustments for minor computational errors in labor hours and rates. Based on the technical evaluation, the SEB made direct labor hour adjustments resulting in a slight increase in costs. The SEB had a high level of confidence in the probable cost.

CNSI had the third lowest probable cost and second lowest probable average hourly rate. The SEB made significant upward adjustments for computational errors in labor hours and rates, and to correct calculation errors. Based on the technical evaluation, the SEB made downward direct labor hour adjustments resulting in a moderate decrease in costs and a cost realism Mission Suitability point adjustment. The SEB had a low level of confidence in the probable cost due to the magnitude of error corrections, failure to submit required subcontractor cost data for one of the RTOs, and inconsistencies in the application of indirect rate ceilings.

Morgan had the highest probable cost and highest probable average hourly rate. The SEB made slight downward adjustments for minor computational errors in labor rates. Based on the technical evaluation, the SEB made minor downward direct labor hour adjustments resulting in a slight decrease in costs. The SEB had a high level of confidence in the probable cost.

There was no difference in Phase-In price between SGT, ASRC, and CNSI. Morgan had the highest Phase-in price.

DECISION

During the presentation, I carefully considered the detailed findings the SEB presented. I noted that the SEB report accompanying the findings further amplified each finding in extensive detail. I solicited, received, and considered the views of key senior GSFC personnel and SEB members who were in attendance at the presentation. These key senior personnel have responsibility related to this acquisition and understood the application of the evaluation factors set forth in the RFP.

In determining which proposal offered the best value to NASA, I referred to the relative order of importance of the three evaluation factors as stated in the RFP: "The Cost Factor is significantly less important than the combined importance of the Mission Suitability Factor and the Past Performance Factor. As individual factors, the Mission Suitability Factor is the most important and the Past Performance Factor is more important than the Cost Factor."

My selection was based on a comparative assessment of each proposal against each of the three factors.

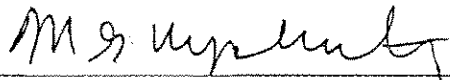
Regarding the Mission Suitability Factor, I accepted the findings of the SEB as reflected in the report and noted that SGT's overall "Very Good" rating was significantly higher than ASRC (Good), CNSI (Good), and Morgan (Fair). SGT's proposal was strong in many areas including demonstrating an understanding of various SOW requirements and the hypothetical problems associated with the RTOs. Also, SGT was significantly strong in critical positions, total compensation plan, teaming arrangements, and award fee sharing. I noted that ASRC was also strong in many areas of the SOW, teaming arrangements, and award fee sharing. However, the accumulation of ASRC's inadequate staffing weaknesses in all seven RTOs resulted in an overall substantial staffing adjustment, which demonstrates a potential lack of understanding and poses a risk to successful contract performance. I determined that CNSI's and Morgan's much lower ratings and significant weaknesses excluded them from consideration for selection on initial offers. Finally, I noted that SGT received "Excellent" ratings in two subfactors (Capabilities and Management Plan) and noted a discriminator in the Capabilities subfactor as no other offeror was rated "Excellent."

Regarding the Past Performance Factor, I noted a discriminator between the "Excellent" ratings for SGT and ASRC, and the "Very Good" and "Good" ratings for Morgan and CNSI, respectively.

Regarding the Cost/Price Factor, I examined the findings the SEB made in determining probable cost, noted the relative order of standing for each of the offerors, and noted the Mission Suitability point adjustments made to ASRC and CNSI. ASRC's total probable CPAF is significantly lower than SGT's. However, I reviewed ASRC's and SGT's probable average hourly rate which results in a moderate reduction in the difference between the offerors. In addition, ASRC's lack of ceilings on two indirect rates increases the cost risk liability to the Government and therefore lowers the Government's level of confidence of ASRC's probable costs. Further, I considered the RFP Provision M.5 language, which states that the Government will evaluate the proposed rates contained in the Rate Matrix (Attachment B) for cost realism and reasonableness. This review finds relatively minor differences between ASRC's and SGT's overall indirect rates. Regarding CNSI, I concluded that their second lowest probable average hourly rate did not offset the significant differences in Mission Suitability between CNSI and SGT.

Based on the foregoing, I conclude that SGT's proposal offers the best value to the Government in consideration of the three evaluation factors. SGT's significantly higher Mission Suitability rating, the most important selection factor, more than offsets ASRC's lower probable cost, the least important selection factor. Therefore, I select SGT for award of the Multi-Disciplinary Engineering and Technology Services (METS) contract.

**SELECTION STATEMENT
SIGNATURE PAGE
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SERVICES PROCUREMENT**



Michael Ryschkewitsch
Director of Applied Engineering
And Technology Directorate

1/4/05

Date